

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

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FEDERAL ENERGY
REGULATORY COMMISSION

Colorado River Water Projects Enterprise)
of the Colorado River Water Conservation District)

Project No. 11880-000

SECOND SEMI-ANNUAL PROGRESS REPORT
UNDER THE
PRELIMINARY PERMIT
FOR THE PROPOSED
RITSCHARD DAM UNIT WATER POWER PROJECT

Colorado River Water Projects Enterprise
of the Colorado River Water Conservation District
P.O. Box 1120
201 Centennial Street, Suite 200
Glenwood Springs, CO 81602

Project No. 11880-000

BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

***Second Six-Month Progress Report
Under Preliminary Permit***

- (1) The Colorado River Water Conservation District (River District), acting by and through the Colorado River Water Projects Enterprise, submits the following progress report as required under Article 4 of the Director's order of June 25, 2001, issuing the preliminary permit. This progress report is made in order that the permittee may maintain priority for a prospective license for the project under Part I of the Federal Power Act while obtaining the data and performing the acts required to determine the feasibility of the project and to support an application for a license. The report follows the requirements of Part I of the Federal Power Act and related regulations and Articles 1 through 4, set forth in standard form P-1.

- (2) The location of the proposed project is:

State or Territory:	Colorado
County:	Grand
Township or Nearby Town:	Kremmling
Stream or other body of water:	Muddy Creek and Wolford Mountain Reservoir

- (3) The exact name, business address, and telephone number of the permittee are:

Colorado River Water Projects Enterprise
of the Colorado River Water Conservation District
P.O. Box 1120
201 Centennial Street, Suite 200
Glenwood Springs, Colorado 81602

Telephone number	970-945-8522
Fax number	970-945-8799

- (4) Progress report:

On February 6, 2001, the River District filed an application for a three-year preliminary permit under Section 4(f) of the Federal Power Act to study the proposed Ritschard Dam Project No. 11880-000.

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Public notice of the application was issued on March 16, 2001, establishing May 15, 2001, as the deadline for filing comments and motions to intervene. A motion to intervene was filed by the U.S. Department of the Interior to be a party to the proceeding.

On June 25, 2001, the Director, Division of Hydropower Administration and Compliance, issued a preliminary permit for the project (95 FERC ¶ 62,264). The purpose of the preliminary permit is to maintain priority of application for a license during the term that the permittee conducts investigations and secures data necessary to determine the feasibility of the project and prepares an acceptable development application.

During the six month period from June to November 2001, the Colorado River Water Projects Enterprise initiated efforts to determine the feasibility of the project. The River District completed a Request for Proposals soliciting services from qualified engineering and consulting firms to begin studies associated with the project. In October the Enterprise Board of Directors took action approving a professional services contract to preliminarily evaluate project feasibility. Work on the evaluations began later that month.

During the six month period from December 2001 to May 2002, the Colorado River Water Projects Enterprise completed a preliminary feasibility study regarding the project. The initial feasibility study, performed under contract by the engineering firm Montgomery Watson Harza, evaluated power generation, identified potential power markets, and provide conceptual engineering alternatives and feasibility level cost estimates. The analyses indicate that a hydroelectric unit at the Ritschard Dam is potentially feasible from construction and economic perspectives. The report indicates that the optimal rated turbine capacity of the unit would be approximately 870 kilowatts. Based on 42 years of simulated reservoir operation, the average annual power generation would be 3,700,000 kilowatt-hours.

During the latest reporting period, the permittee met with representatives from the United States Fish and Wildlife Service responsible for overseeing the endangered fishes Recovery Program in the Upper Colorado River above the Gunnison River. The purpose of the meeting was to describe the conceptual design and operations of the Wolford Mountain hydroelectric project and obtain the representatives' initial impressions of the project and their feedback with regard to the Recovery Program. At this preliminary level of evaluation, no fatal flaws in the concept and operations of the proposed hydroelectric project were identified by the Service.

Over the next six month period, the River District will continue investigating the feasibility of the project. A second work order has been issued to Montgomery Watson Harza to provide detailed engineering cost estimates for the required hydroelectric equipment and facilities. The River District plans to contact the Colorado Division of Wildlife to explain and describe the proposed project and solicit input from the agency.

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To further inform and involve the public and various agencies with the project, the permittee is developing informational pages for the Colorado River Water Conservation District web site. The site will offer background and contact information regarding the project.

Please contact our project manager, James F. Pearce, at (970) 945-8522, if you require additional information.

Respectfully submitted,

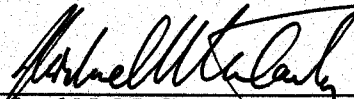


R. Eric Kuhn, General Manager
Colorado River Water Conservation District
P.O. Box 1120
Glenwood Springs, CO 81602

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused to be served a copy of the foregoing document on each of the persons designated on the official service list compiled by the Secretary in this proceeding pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure.

Dated at Washington, D.C. this 30th day of May, 2002.



Michael N. McCarty
Special counsel to the permittee